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ABSTRACT

To explore the specific types of power that emerge in the communication messages chief executive officers (CEOs) use when interacting with others--particularly superiors, peers, and subordinates--15 CEOs were asked to respond to three hypothetical situations. During 60-minute tape-recorded interviews, they were asked what they would say to influence other members of the organization to agree with their view. They were aked to respond to the situation in terms of what they would say and not what they would do. The interviews were then submitted to coders to be subdivided and classified according to power types. Results indicated that coercive, expert, legitimate, and referent power were used by the CEOs quite evenly, while reward power was used significantly less than the other forms of power. CEOs used more expert power and less legitimate power when communicating upwardly/horizontally than referent and coercive power. Conversely, CEOs used more legitimate power and less expert power than coercive and referent power when communicating downwardly. (Author/HOD)

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# CHIEF EXECUTIVE OFFICER POWER MESSAGE TYPES AS A FUNCTION OF ORGANIZATIONAL TARGET TYPES

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## ABSTRACT

This study examined the specific types of power chief executive officers (CEOs) use with different organizational target types. During 60-minute tape-recorded interviews, 15 CEOs were asked to respond to three hypothetical situations in terms of what they would say in each situation to particular organizational members. One hundred twenty-five messages were transcribed from these tape-recorded interviews and then submitted to coders to be subdivided and classified according to power types as conceptualized by French and Raven (1968).

Results indicated that coercive, expert, legitimate, and referent power were used relatively evenly in 160 emergent sub-messages. Reward power was found to be used less by CEOs than the other four types of power. Although the difference in the ways CEOs used power upwardly/horizontally and downwardly in the organization was not statistically significant, it was evident that the CEOs used more expert power and less legitimate power when communicating upwardly/horizontally than referent and coercive power. Conversely, CEOs used more legitimate power and less expert power than referent and coercive power when communicating downwardly. Implications of these findings and suggestions for future research are advanced.

CHIEF EXECUTIVE OFFICER POWER MESSAGE TYPES

AS A FUNCTION OF ORGANIZATIONAL TARGET TYPES

## Conceptual Framework for Study

Advocating a grounded theory approach to organizational communication research, Browning (1978) argued that "the search for and discovery of grounded organizational communication variables" (p. 93) through the use of in-depth interviews and non-participant observation is a valuable way of understanding how organizational members communicate in organizational settings. He suggested that research based on the grounded theory assumptions of Glaser and Strauss (1967) was useful for developing "a descriptive communication theory."

Glaser and Strauss (1967) posited that qualitative data are best suited to the discovery of communication variables, classifications of those variables, and hypotheses. While these researchers pointed out that quantitative data are most useful in expanding and testing theory, they also suggested that qualitative data analysis contributes to the development of theory by generating conceptual categories based on evidence. Accordingly, the evidence from which a particular conceptual category emerges may be used to exemplify the concept. Finally, Glaser and Strauss contended that the generation of a rounded and dense theory (e.g., a theory that accounts for a large number of variables) is hindered when researchers only focus on the testing and validation of theory.

One of the means by which communication is displayed in the organization is through the influence processes that exist among organizational members. The predominance of the formal chain-of-command in the organization makes the

influence process one of the most frequently occurring forms of organizational communication.

In looking at how organizational members persuade one another, it is necessary to examine the bases upon which certain types of influence are founded. Lodged within the context of influence and persuasion is the notion of power. Zaleznik (1983) argued that organizations are political structures that ". . . operate by distributing authority and setting a stage for the exercise of power" (p. 267). Accordingly, Kotter (1983) suggested that:

> Successful managers use the power they develop in their relationships, along with persuasion, to influence people on whom they are dependent to behave in ways that make it possible for the managers to get their jobs done effectively. They use their power to influence others directly, face to face, and in more indirect ways (p. 315).

As Pacanowsky and O'Donnell-Trujillo (1983) have pointed out, "Any broad discussion of organizational communication must inevitably come to deal with issues of 'power,' 'control,' and 'influence'" (p. 141). Members of any organizational culture or subculture have different ways of "getting things done" and different ways of showing their strength in order to "get things done." One of the most recognizable performances of strength is evidenced in a superior's command or threat to a subordinate--when he or she says "do it," it gets done. "Such strength is often referred to as the 'power of the position,' and works when subordinates are willing to suspend critical judgment of those orders . . . the performances for showing personal strength are as varied as the individuals who perform them" (Pacanowsky and O'Donnell-Trujillo, 1983, p. 142).

One of the ways in which organizational members display strength is through the use of power. According to Zaleznik (1983), leadership inevitably

requires using power to influence the thoughts and actions of individuals in the organization. Accordingly, Richmond, Wagner, and McCroskey (1983) concluded that managers have "a variety of power bases available for their use . . . [and] the use of power is an inherent element in any organizational environment" (p. 28).

## Review of the Literature

### Power

Power has been defined as an individual's potential to influence another individual to behave in a way that he/she would not have otherwise behaved had he/she not been influenced (Cartwright and Zander, 1968; Goldner, 1970; McClelland, 1975; Zaleznik and Kets de Vries, 1975). French and Raven (1968) conceptualized five potential bases of power: coercive, reward, legitimate, referent, and expert.

According to French and Raven, coercive power involves an individual's perception that he or she will be punished if he or she does not behave in line with the will of another individual. Reward power is based upon an individual's perception that another person can mediate rewards for him or her. Legitimate power is based upon the target's perceptions of the agent's right to influence or prescribe behavior for him or her. Referent power is based upon an individual's identification with another individual. Such identification is based on the target's attraction toward an agent, or more specifically, the target's desire to identify with and please the agent. Finally, expert power is based upon the target's perceptions of the agent's competence and knowledge in specific areas.

Katz and Kahn (1978) have provided an extensive discussion about the use of power among leaders in the organizational context. They developed an interesting argument which suggests that legitimate power is distributed equally, but used differently, in the organization. Salancik and Pfeffer (1974) noted that in research and development oriented organizations, competence is often the major source of influence. Hence, referent and/or expert power are used in research oriented institutions because they are more appropriate to tasks that require creativity or problem-solving activities.

Goodstadt and Kipnis (1970) found that as the number of subordinates increased in an organization, supervisors were more apt to use legitimate and coercive power rather than referent power. In this particular study, the researchers reported that referent power was not used as much because it requires spending more time with subordinates and the more subordinates there are in an organization, the less time a supervisor has to spend with each subordinate.

Kotter (1983) suggested that successful executives have an intuitive understanding of the different types of power and they are sensitive to what types of power are most appropriate and effective with different types of people. "They are good at recognizing the specific conditions in any situation and then at selecting an influence method that is compatible with those conditions" (Kotter, 1983, p. 321). Kotter's argument seems to point out that executives communicate different types of power to different types of people. Cashman, Dansereau, Graen, and Haga (1976) have argued that supervisory behaviors must be adapted to the particular type of relationship a supervisor has with other members of his or her organization.

The Chief Executive Officer

The highest ranking leader in most large organizations is the chief

executive officer (CEO). According to Rock (1977), the chief executive, along with the Board of Directors, sets the fundamental goals of the company and establishes basic corporate objectives.

In order to achieve particular objectives, a CEO must communicate upwardly or horizontally with the members of the Board of Directors, and downwardly with senior staff members. The way in which the CEO interacts with particular members of the entire organization vertically and horizontally may signficantly impact employee job satisfaction and performance, organizational productivity and efficiency, and the attainment of organizational goals.

Copeman (1971) defined the CEO as the full-time chairman of the organization. The chief executive officer is the chief administrator and chief decision maker of the organization (Copeman, 1971; Levinson, 1981; Stieglitz, 1969). He or she serves as a liaison between the Board of Directors and the organization, between the organization and other organizations, and between the organization and the public. It is the CEO who ultimately directs and controls the organization.

According to Mintzberg (1971), CEOs perform ten different specific roles that can be divided into three corresponding overall groups which he terms interpersonal roles, informational roles, and decisional roles.

Interpersonal roles embody those behaviors in which the chief executive makes interpersonal contact with other organizational members. These roles are based upon the authority and status associated with the position of the CEO. Interpersonal roles include those of figurehead, leader, and liaison. The figurehead is the legal authority of the organization who presides ". . . at ceremonial events, sign[s] legal documents, receive[s] visitors, [and] makes himself available to many of those who feel . . . 'that the only way to get something done is to get to the top'" (Mintzberg, 1971, p. B-103). The

leadership role deals with the executive's relationship with his or her subordinates and permeates all other activities within the organization. Leadership actions include the CEO's attempts to motivate and encourage subordinates, as well as his or her development of the "milieu" in which they work. The CEO also plays the role of a corporate liaison in which he or she builds and maintains a "predictable, reciprocating system of relationships in order to bring information to the organization" (Mintzberg, 1971, p. 103).

The chief executive officer is also involved in a set of activities that are primarily related to the processing of information. Roles associated with this processing include those of nerve center, disseminator, and spokesperson. Although the CEO may not know as much about a particular function as the subordinate who is a specialist in the given area, the CEO knows more about the total organization than any other person within the organization. Within his or her own organization, the CEO is an information generalist who emerges as nerve center of internal information. The CEO also emerges as a nerve center of external information because he or she has access to other CEOs who are nerve centers of their own organizations. The disseminator role involves transmitting information to subordinates that incorporates both facts and values. In this role the CEO makes the preferences of owners, governments, the public, and employee groups, etc., known to the organization. Mintzberg (1971) pointed out that it is the CEO's ". . . duty to integrate these value positions, and to express general organizational preferences as a guide to decisions made by subordinates" (p. B-105). In his or her role as spokesperson, the CEO is responsible for transmitting information to individuals outside the organization. Specifically, the CEO serves outside his or her organization as an expert in the industry who informs interested parties about the organization's performance, its policies, and its plans.

As the legal authority of his or her organization, the CEO also assumes responsibility for ultimately making major decisions on behalf of the organization. The decisional roles that a CEO plays are comprised of entrepreneur, disturbance handler, resource allocator, and negotiator. As an entrepreneur, the CEO initiates and designs much of the controlled change within the organization. Controlled change may involve "the marketing of a new product, the strengthening of a weak department, the purchasing of new euqipment, the reorganization of formal structure, and so on" (Mintzberg, 1971, p. B-105). The role of the disturbance handler deals with those unexpected situations in which CEO is forced to make corrections in the organization. As the ultimate decision maker, the CEO controls the allocation and distribution of resources within his or her organization. In managing the organization's resources, the CEO also directs the course of his or her organization. Finally, the CEO is a negotiator. Sayles (1964) suggested that CEOs "negotiate with groups who are setting standards for their work, who are performing support activity for them, and to whom they wish to 'sell' their services" (p. 131).

The foregoing roles, then, form a "gestalt," a unified whole whose parts are not mutually exclusive. In summarizing the significance of the roles played by the chief executive officer, Mintzberg (1971) stated that:

> These ten roles suggest that the manager of an organization bears a great burden of responsibility. He must oversee his organization's status system; he must serve as a crucial information link between it and its environment; he must interpret and reflect its basic values; he must maintain the stability of its operations; and he must adapt it in a controlled and balanced way to a changing environment (p. B-107).

## Research Question and Hypothesis

The purpose of the present research was to explore the different types of power that emerge in the communication messages CEOs use when interacting with others and, in particular when interacting with superiors and/or peers and subordinates. Based upon the preceding literature review and rationale, the following research question and hypothesis were advanced:

$Q_1$: What types of power are reflected in the verbal messages CEOs use in the organizational context?

$H_1$: There will be a difference in the type of power used by CEOs when they communicate with the Board of Directors (upwardly/horizontally) and when they communicate with their senior staffs (downwardly).

# Methodology

## Subjects

Subjects for this study consisted of male chief executive officers from industrial and financial companies in San Diego County and the Midwest. A letter was sent to the CEOs in each of the aforementioned publicly and privately held corporations by one of the researchers asking them to participate in this research project. These letters were followed by telephone calls in which the same researchers attempted to make appointments or confirm meetings with each of the CEOs. These procedures resulted in an agreement to participate from 14 CEOs in San Diego County an one CEO in the Midwest.

## Procedure

During a 60-minute structured interview, each CEO was presented with three different hypothetical situations. For each hypothetical situation, the CEO was asked what he or she would say to influence other members of the organization to agree with his or her view. Each CEO was asked to respond to the

hypothetical situation in terms of what he/she would say and not what he/she would do. The CEOs were asked to respond to each situation from two different perspectives: first, each CEO was asked what he/she would say to influence a member of the Board of Directors, and second, what he/she would say to influence a member of his/her senior staff. Each of the interviews was conducted face-to-face and tape-recorded with permission from the CEOs. The tapes were then analyzed to address the research question and hypothesis advanced in this study.

Situational Stimuli

Three different situations were developed according to the roles CEOs perform posited by Mintzberg (1971). All three situations combined elements of the interpersonal, informational, and decisional CEO roles defined by Mintzberg. The first situation involved a product risk decision which could affect the corporation's competitiveness in the marketplace.

> Situation #1: Product Risk Decision. The marketing department in your organization has proposed a new marketing plan that you think is very effective for an old product that is not selling well. You are convinced that this plan will work. Members of the Board, as well as your immediate executive staff, are not in favor of this plan because to implement it would constitute a tremendous financial risk to the organization.

The second situation involved an economic crisis situation in which the corporation, and thus the CEO would of necessity need to be responsive.

> Situation #2: Economic Crisis. Your organization is known for its loyalty to its employees. However, because of economic stress, you feel that the best solution to maintaining the financial soundness of

the organization is to lay off a significant number of employees. You are faced with opposition from the executive staff as well as the Board.

The third situation dealt with the CEO's leadership style and its potential impact upon the corporation.

Situation #3: Leadership Style. As the figurehead and leader of this organization, you have a flamboyant leadership style and you believe that this style is quite effective. However, this style is drawing the attention of the press and it may get your company a lot of visibility, drawing the public to buy your products, or it may stimulate adverse reactions. Since you represent the top position in the organization, your executive staff and Board are nervous about the leadership style you use, particularly as it is being communicated to the public through the media.

Variables

The dependent variable in this study was power type as defined by French and Raven (1968) utilized by CEOs in the emergent persuasive messages. The five variable levels employed were as follows: coercive power, expert power, legitimate power, referent power, and reward power.

The independent variable for this study was communication directionality as utilized by CEOs in the emergent persuasive messages; variable levels were (a) upward/horizontal communication; and (b) downward communication. Upward/horizontal communication was operationalized as CEO responses to situations involving the Board of Directors. If a particular CEO were simply an "employee" hired by the Board of Directors, his or her communication with the Board was considered for the purposes of this study as upward directed communication; if a particular CEO were a major stockholder in the corporation, his

or her communication with the Board was considered horizontal. However, upward and horizontal communication were grouped together because the researchers could not determine in all cases whether a CEO was an owner or an employee from the interviews that were conducted. Downward communication was operationalized as responses to situations involving the CEO's senior staff or those who reported immediately to the CEO.

Communication between the CEO and the Board of Directors and the senior staff was chosen as the level of analysis because the vertical distance in the relationships is smaller than it is between the CEO and those considerably lower in the organizational hierarchy (e.g., blue collar workers). The more vertical distance that exists between organizational members in the hierarchical structure of the organization, the more obvious the power differential would be in those relationships. Hence, while there might be an obvious difference in the way CEOs use power with blue collar workers, such power usage by CEOs toward the Board of Directors and senior staff members might be considerably more subtle. Consequently, the more difficult test was assumed to be in the determination of whether or not there were a difference in the specific way CEOs use power with their Boards and senior staff members than if there were a difference in the way they use power with their Board of Directors and blue collar workers. Moreover, if a difference could be found between the way CEOs use power with their Boards and senior staffs, it was assumed that a difference would also be likely to be found between the way they use power with their Board and blue collar workers in the organization.

Data Analysis

Coding of data. In line with the approach advocated by Glaser and Strauss (1967), this study was directed toward an intensive rather than extensive examination of CEO communicative behavior by utilizing an inductive

methodology as opposed to a deductive one. Thus, the particular data analysis techniques were designed accordingly. The interviews resulted in 60-minute audio tapes for each of the 15 CEOs interviewed. The tapes were transcribed and all of the persuasive messages that emerged in each interview were isolated for subsequent analysis. A pause or a change in the CEO's speaking pattern was noted within each transcription by integrating three periods in that part of the message. A message was considered persuasive if it inferred intentionality on the part of the CEO and evidenced his or her attempt to change an attitude, belief, or action of the person to whom the message was directed. For example,

> "Well, if I'm really convinced, I really feel strongly about it I might say . . ."

was not recorded as a persuasive message, but the statement immediately following that particular statement was recorded:

> "I can appreciate the feeling that you have, but I'm asking you to risk with me in this particular case . . . Let me do it anyway . . . I feel strongly enough about it!"

Another message that was not recorded as a persuasive message was:

> ". . . you've got to spend a lot of time listening to them in a context of 'what is there about him that's bothering you.' I might spend some time talking about it and see if we've got a miscommunication or he may have a valid criticism . . . Then I think I'd give him a choice in the sense of . . ."

But the message immediately following it was also recorded as a persuasive message. It was:

> "I've heard your arguments . . . there are some valid criticisms to it, but we are going this way, we must act . . . I want you to come

with us because I feel you will contribute to it . . . But if in good conscience you feel you can't, then we better look at some alternatives for you."

In the first of the last two messages, it was clear that the CEO was talking about what he or she would do in a particular situation, rather than what he or she would say. This is why only the second message was transcribed for the purposes of this research. The foregoing procedure generated 125 persuasive messages. These messages were then typed and used by trained undergraduate coders to classify power types.

The coders were asked to subdivide the emergent messages according to French and Raven's five power categories. Coders were instructed to indicate the specific beginnings and endings of sub-messages within the main messages through the use of brackets. For example, the sample message used earlier might be subdivided according to referent, legitimate, referent, and coercive power as follows:

referent
["I've heard your arguments. There are some valid criticisms to them,]

legitimate referent
[but we're going this way, we must act] . . . [I want you to come with us because I feel you will contribute to it] . . . [but if in

coercive
good conscience you feel you can't . . . then we better look at some alternatives for you."]

Inter-rater reliability among the three coders was established in a pre-test situation utilizing similar but not identical CEO messages as stimuli. It is important to note that throughout the coding of study data the coders were not aware of from which CEO the messages emanated, to which situation they were in response, and toward whom they were directed (Board of Directors or senior staff members).

Statistical techniques. The percentage of messages that were coded according to each power type was the data used to directly answer the study's single research question. The research hypothesis was tested by classifying all of the messages into upward/horizontal (Board of Directors) or downward (senior staff members) communication and testing the types of power utilized for both kinds of communication. Given that the data generated in this study were nominal, a chi-square analysis was used for testing the relationship between power types and communication directionality.

## Results

A total of 160 usable sub-messages emerged from the coding analysis for this study. For these 160 sub-messages consensual judgment for power type classification among the three coders was achieved. From this data, the study's single research question was explored, the determination of the distribution of power types within CEO messages. With the exception of reward power, different types of power were found to be relatively evenly distributed throughout the total number of messages. As shown in Table 1 below, CEOs used coercive power in 38 messages, or 23 percent of the total number of messages; expert power in 36 messages, or 22 percent of the total number of messages; legitimate power in 33 messages, or 20 percent of the total number of messages; and referent power in 40 messages, or 25 percent of the total number of messages. Reward power was used by CEOs in only 13 messages, or eight percent of the total number of messages.

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Insert Table 1 about here

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In an effort to determine if the observed overall power type distributions were different from what would be expected if they were distributed equally, a chi-square test was conducted. The computed chi-square ($x = 14.93$) was significant ($p < .05$), indicating that the observed power frequencies were not random patterns. It is evident from the chi-square analysis that reward power accounted for the major chance deviation in the power distribution.

As shown in Table 2 below, CEOs rely primarily upon expert, referent, and coercive power when communicating upwardly or horizontally, and upon legitimate, coercive, and referent when communicating downwardly.

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Insert Table 2 about here

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The hypothesis ($H_1$) that there would be a difference in the kind of power used by CEOs when they communicate upwardly/horizontally and when they communicate downwardly was not confirmed. Chi-square analysis ($x = 8.418$) showed that there was not a significant ($p > .05$) difference between the observed power distributions upwardly/horizontally and downwardly and the expected power distributions. However, it is interesting to note that the difference between observed frequencies and expected frequencies was significant at the .10 alpha level.

Post-Hoc Analyses

Several post-hoc analyses were conducted to examine the data emerging from this study, particularly on a qualitative level. These analyses, while not directly related to the hypothesis and research question posed in this study, provided an opportunity to explore in more depth the nature of the emerging data. Specifically, two post-hoc analyses were performed: (a) an examination of power messages by type according to each of the 15 CEOs; and (b) an

examination of power types according to each of the hypothetical situations given to the CEOs.

The distribution of power messages by type according to each of the 15 CEOs can be found in Table 3 below. Looking at the table vertically, one can see that the power messages reflected in the CEO's responses to each of the three situations ranged from zero to 16. Within each power category the messages in the CEO's responses also ranged from zero to 16.

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Insert Table 3 about here

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The mean for the coercive power category was 2.50, the mode was 1, and the standard deviation was 2.50. Coercive power was used relatively evenly among 14 of the CEOs, while one CEO used coercive power much more (ten coercive messages as compared to the other CEOs who used no more than five such messages) than the others. The mean for the expert power category was 2.40, the mode was 1, and the standard deviation was 3.15. Again, the results indicate that expert power is used quite evenly by most of the CEOs with the exception of one. In this case, the CEO who deviated the most from the norm used 12 expert messages, as compared to the other CEOs who each used no more than five such messages.

Legitimate power was distributed evenly among the 15 CEOs and reflected a mean of 2.20, a mode of 1, and a standard deviation of 2.40. The mean for referent power was 2.60, the mode was 1, and the standard deviation was 4.00. In this power category, the largest deviation was one CEO who used 16 messages based on referent power, as compared to no more than six such messages from the other CEOs. Referent power was distributed fairly evenly among the other 14 CEOs. Finally, reward power was used very evenly by all CEOs with a mean of .86, a mode 1, and a standard deviation of 1.00.

Looking at Table 3 horizontally, it can be seen that: (a) five CEOs used coercive power predominately, (b) three CEOs used expert power predominately, (c) one CEO used a preponderance of legitimate power, (d) two CEOs used referent power more than other power types, and (e) reward power was used by one CEO more extensively than the other four power types.

The distribution of power types according to each of the hypothetical situations given to the CEOs can be seen in Table 4 below. This table indicates that: (a) coercive power was used by CEOs predominately in response to Situation Number Two (Economic Crisis), (b) expert power was used by CEOs relatively evenly in response to all three situations, (c) legitimate power was used more extensively than other power types in response to Situation Number Three (Leadership Style), (d) CEOs used referent power more frequently than other power types in response to Situation Number One (Product Risk Decision), while (e) reward power was used by CEOs infrequently in response to Situations One and Two, and not at all in response to Situation Number Three (Leadership Style).

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Insert Table 4 about here

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## Discussion

The purpose of this study was to examine the types of messages chief executive officers use to communicate power to various targets within their organizations, and more specifically whether or not there is a difference in the types of power CEOs use when communicating upwardly/horizontally as opposed to downwardly.

Several conclusions can be presented based on the results of this study. First, the messages CEOs use reflect all five types of power advanced by French and Raven (1968). Specifically, coercive, expert, legitimate, and referent power were reflected in the messages used by CEOs quite evenly, while reward power was used significantly less than the other forms of power. Although the results indicated that the difference in the types of power CEOs use when they communicate upwardly/horizontally and when they communicate downwardly approaches significance, the hypothesis in this study was not confirmed. However, it is evident from Table 2 that reward power is used very little compared to the other power types and that expert and legitimate power are used inversely whether the communication direction is upward/horizontal or downward.

The findings from the post-hoc analyses show that there is a high degree of variability in the way power is used among CEOs. Furthermore, these results are consistent with the findings regarding overall power distribution among CEOs. Specifically, Tables 3 and 4 indicate that reward power is used much less by CEOs than the other four types of power. Table 4 also suggests that CEOs do not use one type of power predominately in all situations, but rather that CEOs adapt the type of power they use according to the situation in which the interaction occurs. These results lend support to a context specific argument rather than a trait specific argument in the use of power by CEOs.

The results of this study supported Pacanowsky and O'Donnell-Trujillo's (1983) contention that organizational members have various ways of displaying strength in the organization and in fact do so by using coercive, expert, legitimate, and referent power in their organizations. Accordingly, this study suggested that for at least four of the power types examined, CEOs

rarely use one of the power types more than another when attempting to influence other organizational members. The results also showed that use of one type of power does not exclude use of other types of power, but rather that as many as three or four types of power may be used by a CEO in a single influence attempt. It is important to note that this is not due to overlapping power types; rather they seem to emerge in three or four separate and distinct sub-messages. The results of this study also indicated that a CEO does not use the various types of power available to him or her evenly. CEOs apparapparently utilize reward power relatively rarely when they communicate with their Boards of Directors and their senior staff members.

One possible reason for the infrequent use of reward power may be that its use is easily recognized by targets and is therefore subject to immediate resistance or refutation. It is unlikely that a CEO would use a particular type of power that may be more apt to fail than others.

Although the hypothesis in this study was not confirmed, the results indicated very clearly that expert and legitimate power accounted for the difference that exists in the way CEOs communicate with their Boards of Directors and the way they communicate with their senior staff members. When a CEO communicates with his or her Board of Directors, he or she tends to use more expert power and less legitimate power. Conversely, when a CEO communicates with his or her senior staff, he or she uses more legitimate power and less expert power. This finding is not surprising, given the fact that the CEO is presumably closer to "organizational reality" than the Board of Directors; therefore, it stands to reason that the CEO is more of an expert about intraorganizational activity and would use messages based on expert power when communicating with the Board. Additionally, it seems reasonable that a CEO would use his or her position in the organizational hierarchy (legitimate

power) to influence senior staff members because they are most likely to respect the power and authority of that position and behave accordingly.

When one considers the arguments about expert and referent power offered by Katz and Kahn (1978) in concert with the present findings, he or she could argue that the CEOs in this study communicate more effectively with their Boards of Directors than with their senior staff members because they use more expert power with their Boards that they do with their senior staff. Several elements could account for the fact that CEOs use more expert power when communicating upwardly/horizontally. First, a CEO's communication with the Board of Directors is quite frequently characterized by factual presentations (e.g., quarterly reports, stock values, budgetary issues, marketing plans, etc.) in which he or she is required to be an expert about his or her organization and its industry. Secondly, the Boards of Directors of most major corporations are often comprised of CEOs of other organizations who have a tremendous amount of knowledge and expertise in business. Therefore, in making a presentation or attempting to influence the Board, a CEO might want to appeal to their intellect via expert power. This argument is strengthened by the fact that a large portion (six out of 15) of the organizations in this study were high-tech companies involved in research and development. As Salancik and Pfeffer (1974) contended, competence and, thus, expert power are valued highly by those in research and development firms because they are more appropriate to the type of tasks performed in such organizations. Moreover, the Board of Directors of these companies must stay intellectually sharp in order to stay on the "cutting edge" of rapidly changing industries. Hence, this requires that a CEO must constantly demonstrate his or her expertise when interacting with and attempting to influence Board members.

The fact that legitimate power was used more by CEOs in downward communication than expert power might indicate that there is a negative reationship between the type of power these CEOs use and the job satisfaction and performance of their senior staff members (Bachman, 1968; Katz and Kahn, 1978; Salancik and Pfeffer, 1974 Student, 1968). However, given that the office of the CEO is, in most cases, the most powerful position in the organization, it might be reasonable to assume that an effective CEO would use his or her position to quickly facilitate compliance from senior staff members.

The results from Table 4 showed that CEOs used referent power extensively and coercive and expert power moderately when responding to Situation Number One (Product Risk Decision). Intuitively, it would seem reasonable that when a new marketing plan is introduced by a CEO to other organizational members, the success or failure of that plan, in part, is dependent upon how well it is implemented. Implementation of a marketing plan is most likely to be successful if those who are actually initiating such a plan believe it will work, are enthusiastic about it, and identify with those who already support it. Therefore, it makes sense that a CEO would use referent power to influence other organizational members to support him or her in the development and implementation of a new marketing plan.

In Situation Number Two, which involved a crisis decision, CEOs responded with messages primarily based on coercive power. The more serious the crisis is in terms of its effect upon the organization, the more important it is for a CEO to move people into action in order to develop a solution. Hence, before organizational members can be moved into action, they must first realize the seriousness of the crisis, and this is often done most effectively through the use of threat or force (coercive power).

Table 4 also showed that legitimate power was used predominately by CEOs in response to other organizational members' criticism of their leadership style (Situation Number Three). Assuming that most CEOs were put in the position of chief executive officer partially because of their leadership styles, it would follow that when criticized about their styles, CEOs would rely on the power of position (legitimate power) to advocate or defend their leadership styles.

Although the present study has provided evidence that contributes to a more comprehensive understanding of the way power is distributed communicatively in the organization, it is not without limitations. In testing the hypothesis for this study, the chi-square analysis showed that the observed power distributions upwardly/horizontally and downwardly were significantly different from the expected power distributions at the .10 alpha level. This finding suggests that an increased N (more messages) might have increased the level of significance (e.g., $p < .05$) in the difference between the types of power used upwardly/horizontally and downwardly (Cohen, 1977). An increase in the number of CEOs interviewed would most likely increase the number of messages and establish an adequate N in subsequent studies of this nature.

The results of the present study were also limited because the data that were collected involved the CEO's projections of what messages they would use in each of the hypothetical situations, rather than their actual behaviors. An examination of the CEO's behaviors would allow researchers to study the way power is used transactionally in the organizational context. Specifically, researchers would be able to look at the messages that precede and follow actual influence messages and analyze the impact they have upon the way one organizational member influences another.

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Table 1

OVERALL DISTRIBUTION OF POWER TYPES

| Power Type | Actual Number of Messages | Percentage of the Total Number of Messages |
|---|---|---|
| Coercive | 38 | 23 |
| Expert | 36 | 22 |
| Legitimate | 33 | 20 |
| Referent | 40 | 25 |
| Reward | 13 | 8 |

Table 2

OVERALL FREQUENCIES OF POWER TYPES

| Power Category | Communication Direction (Frequency) Upward/Horizontal | Downward |
|---|---|---|
| Coercive | 19 | 19 |
| Expert | 23 | 13 |
| Legitimate | 10 | 23 |
| Referent | 21 | 19 |
| Reward | 7 | 6 |

Table 3

OVERALL DISTRIBUTION OF POWER TYPES
ACCORDING TO EACH CEO

| CEO | Power Type | | | | | | | | | | Total N |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Coercive | | Expert | | Legitimate | | Referent | | Reward | | |
| | *N | % | N | % | N | % | N | % | N | % | |
| 1 | 2 | 7 | 12 | 46 | 5 | 19 | 6 | 23 | 1 | 3 | 26 |
| 2 | 5 | 13 | 4 | 10 | 8 | 21 | 16 | 43 | 4 | 10 | 37 |
| 3 | 1 | 20 | 3 | 60 | 1 | 20 | 0 | | 0 | | 5 |
| 4 | 3 | 60 | 1 | 20 | 1 | 20 | 0 | | 0 | | 5 |
| 5 | 10 | 47 | 3 | 14 | 3 | 14 | 3 | 14 | 1 | 4 | 21 |
| 6 | 1 | 9 | 2 | 18 | 2 | 18 | 5 | 45 | 1 | 9 | 11 |
| 7 | 4 | 36 | 2 | 18 | 2 | 18 | 2 | 18 | 1 | 9 | 11 |
| 8 | 2 | 22 | 5 | 55 | 0 | | 0 | | 2 | 22 | 9 |
| 9 | 2 | 66 | 0 | | 1 | 33 | 0 | | 0 | | 3 |
| 10 | 1 | 33 | 0 | | 1 | 33 | 0 | | 1 | 33 | 3 |
| 11 | 0 | | 0 | | 0 | | 1 | 33 | 2 | 66 | 3 |
| 12 | 3 | 60 | 0 | | 2 | 40 | 0 | | 0 | | 5 |
| 13 | 4 | 23 | 1 | 5 | 7 | 41 | 5 | 29 | 0 | | 17 |
| 14 | 0 | | 1 | 50 | 0 | | 1 | 50 | 0 | | 2 |
| 15 | 0 | | 1 | 50 | 0 | | 1 | 50 | 0 | | 2 |
| | x = 2.50<br>mode = 1<br>sd = 2.50 | | x = 2.40<br>mode = 1<br>sd = 3.15 | | x = 2.20<br>mode = 1<br>sd = 2.40 | | x = 2.60<br>mode = 1<br>sd = 4.00 | | x = .86<br>sd = 1.00 | | 160 |

*N = Actual Number of Messages

Table 4

OVERALL DISTRIBUTION OF POWER TYPES
ACCORDING TO EACH SITUATION

| | Power Type | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Coercive | | Expert | | Legitimate | | Referent | | Reward | | Total N |
| | *N | % | N | % | N | % | N | % | N | % | |
| #1 | 13 | 18 | 13 | 18 | 10 | 14 | 27 | 38 | 7 | 10 | 70 |
| #2 | 22 | 33 | 16 | 24 | 12 | 18 | 9 | 13 | 6 | 9 | 65 |
| #3 | 3 | 12 | 7 | 28 | 11 | 44 | 4 | 16 | 0 | | 25 |
| | x = 12.6 | | x = 12.0 | | x = 11.0 | | x = 13.3 | | x = 4.3 | | 160 |

*N = Actual Number of Messages